DECLASS EXCISE XP PET

14 LIBYA (E)
6 LIBYA

Department of State **TELEGRAM**

359

CONFIDENTIAL 514

PAGE 01 TRIPOL 02271 211756Z

45 53
ACTION AF-05

INFO OCT-01 SS-20 E-04 NEA-08 NSC-10 NSCE-00 INR-07 CIAE-00
NSAE-00 L-02 PRS-01 TRSY-06 INT-01 COM-02 OEP-01
EUR-12 RSR-01 RSC-01 /082 W
030175

P R 211520Z SEP 70
FM AMEMBASSY TRIPOLI
TO SECSTATE WASHDC PRIORITY 6913
INFO AMEMBASSY BENGHAZI
AMEMBASSY LONDON

DEPARTMENT OF STATE A/CDC/MR
REVIEWED BY CJ DATE 8/7/81
PORTIONS DENIED AS INDICATED

C O N F I D E N T I A L TRIPOLI 2271

LIMDIS

SUBJ: POSTED PRICE NEGOTIATIONS

REF: TRIPOLI 2215

1. OASIS OWNERS' REPS ARRIVED TRIPOLI 17 SEPT TO MEET SIX DAY DEADLINE FOR OPENING OF PRICE TALKS. OWNERS MET INDIVIDUALLY WITH MINPET MABRUK 19 SEPT. GROUP MEETINGS OF THREE AMERICAN OWNERS WITH LARG NEGOTIATING TEAM HAVE FOLLOWED. LARG TEAM HEADED BY JALLUD AND INCLUDES MABRUK, NAGHRABI AND QIBLAWI, AS WAS TRUE WITH OXY NEGOTIATIONS.

2. WHILE OWNERS HAVE REVEALED LITTLE OF SUBSTANCE ABOUT NEGOTIATIONS, WE HAVE IMPRESSION MAIN ISSUE IS DEGREE OF PRICE RETROACTIVITY. WE HAVE SHARED OUR ANALYSIS OF OXY'S SETTLEMENT, TRIPOLI 2203, WITH OASIS OWNERS AND WITH OTHER COMPANIES. (2) [redacted] 84 ANALYSIS OF PRICE RETROACTIVITY IN OXY SETTLEMENT PROVEDED OASIS' AMERICAN OWNERS WITH BENCH MARK, BUT WE ARE UNCERTAIN THEY HAVE BEEN SUCCESSFUL IN MODIFYING LARG'S DEMAND FOR RETROACTIVITY TO JAN 1965.

3. [redacted]

DECLASSIFIED

CONFIDENTIAL

44

DECLASSIFIED

Department of State **TELEGRAM**

CONFIDENTIAL

PAGE 02 TRIPOL 02271 211756Z

[redacted] B1, B4

[redacted]WE AND OTHER OBSERVERS CONCLUDE THAT SHELL HAS BEEN SEGREGATED FROM AMERICAN OWNERS BECAUSE OF ITS HARD LINE AND BECAUSE LARG BELIEVES OTHER THREE OWNERS CAN BE MADE TO BEND AND THUS INCLUENCE SHELL.

4. FOLLOWING LENGHTY NEGOTIATING SESSION MORNING (SEPT 21), EMBASSY HAS LEARNED AGREEMENT HAS BEEN REACHED AND IS TO BE SIGNED THIS EVENING.

S [redacted] B1

PALMER

DECLASSIFIED